NOTE

This Microfiche meets the quality requirements of the American National Standard for Microfiche of Documents (ANSI PH5.9-1975). However, because of imperfections in the document from which it was made, it contains images that are illegible or difficult to read. The source document for this microfiche is the best copy that could be obtained prior to filming.

CIS
Congressional Information Service
Washington, D.C.

101st Congress, 1st Session - - - - - - - - - - Senate Document 101-12

AMENDMENT TO THE FISCAL YEAR 1990 APPROPRIATIONS (EC 1648)

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

AMENDMENT TO THE FISCAL YEAR 1990 APPROPRIATIONS FOR FUNDING THE FSLIC RESOLUTION FUND

U.S. GOVERNMENT PRINTING OFFICE
29-012 WASHINGTON : 1989

S180-5

THE WHITE HOUSE,
Washington, September 11, 1989.

THE PRESIDENT OF THE SENATE.

SIR: I ask the Congress to consider an amendment to the request for appropriations for fiscal year 1990. This amendment would provide budget authority to the Federal Deposit Insurance Corporation for funding the FSLIC Resolution Fund.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely yours,

GEORGE BUSH.

Enclosures.

Estimate No. 10
101st Congress, 1st Session

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

September 11, 1989

The President

The White House

Sir:

Your approval is requested for an appropriations language amendment to the fiscal year 1990 budget request. The amendment would give budget authority to the Federal Deposit Insurance Corporation to provide additional funding to the FSLIC Resolution Fund (FRF). This additional funding is necessary to finance commitments incurred as a result of the previous restructuring, merging, or closing of federally insured savings and loan institutions. The authority for this funding is provided by the recently enacted Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

I have carefully reviewed the amendment and am satisfied that it is necessary. Therefore, I recommend that it be transmitted to Congress.

Respectfully yours,

Richard G. Darman
Director

Enclosures

(3)

OTHER INDEPENDENT AGENCIES
FEDERAL DEPOSIT INSURANCE CORPORATION

1990 Budget Appendix Page	Heading	1990 Budget Request Pending	1990 Proposed Amendment	1990 Revised Request
I-Z24	FSLIC Resolution Fund	---	Appropriations Language	---

(Insert the above heading and the appropriations language that follows immediately after the material under the heading "Federal Deposit Insurance Corporation":)

For payment of expenses, in fiscal year 1990, of the FSLIC Resolution Fund, for which other funds available to the FSLIC Resolution Fund as authorized by Public Law 101-73 are insufficient, such sums as may be necessary.

This language would provide the indefinite budget authority required to finance commitments of the recently established FSLIC (Federal Savings and Loan Insurance Corporation) Resolution Fund. These commitments are the result of the restructuring, merging, or closing of federally insured savings and loan institutions.

Section 215 of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 established the FSLIC Resolution Fund as a separate fund under the management of the Federal Deposit Insurance Corporation (FDIC). The FSLIC Resolution Fund assumes all the assets and liabilities of FSLIC except for those expressly assumed by the Resolution Trust Corporation under FIRREA.

To finance these commitments and other administrative expenses, the FSLIC Resolution Fund may use funds available to it from several sources: income earned on its assets; returns from receiverships not required for use by the Financing Corporation or the Resolution Funding Corporation; funds raised by the Financing Corporation; and, through calendar year 1991, insurance assessments on Savings Association Insurance Fund members not required for use

by the Financing Corporation or the Resolution Funding Corporation. To the extent that such funds are insufficient to finance the commitments of the FSLIC Resolution Fund, FIRREA authorizes that such funds as may be necessary for FSLIC Resolution Fund purposes be appropriated to the Secretary of the Treasury. This amendment would provide for the financing of an estimated $2,354 million in fiscal year 1990 outlays already included in FIRREA baseline estimates.

○